



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

Scott Hirschi
Director

355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, Utah 84180-1204
801-538-5508
801-355-0922 (Fax)

Wayne Hadley
please discuss with me.
Thy, LPS



January 3, 1995

DOGM
MINERALS PROGRAM
FILE COPY

Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center
Suite # 350
Salt Lake City, Utah 84180-1203

Attn: Lowell Braxton, Associate Director

RE: Notice of Tentative Decision to Approve No. M/045/028

Dear Mr. Braxton:

In response to the public notice, as referenced above, the School and Institutional Trust Lands Administration would like to bring to your attention the State's mineral interest in Section 36, Township 1 South, Range 7 West, SLBM, which is a portion of the lands embraced in the tentative decision to approve the mining and reclamation plan for the Grantsville Quarry, Tooele County, Utah. The surface estate in Section 36 was sold by the State of Utah on May 21, 1936, through Certificate of Sale No. 22389 to Mr. E. J. Jeremy. Without the benefit of a title examination it is believed that the surface is presently owned by Thousand Peaks Ranches.

At the present time Chemical Limestone Company of Arizona, the applicant of the referenced Mining and Reclamation Plan does not hold a valid State of Utah mineral lease in Section 36 and therefore will not be permitted to remove or mine any minerals from those lands.

The State of Utah mineral estate in the NE1/4; NE1/4NW1/4; SE1/4NW1/4 of Section 36 was formerly held under Limestone lease No. ML 44446 granted to Chemstar Inc., Suite 400, 2800 North 44th Street, Phoenix, Arizona 85008. Limestone lease ML 44446 was approved on July 31, 1989, and cancelled on September 8, 1994, for non-payment of rentals.



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Cancellation of any State mineral lease does not alleviate the Lessee from any reclamation responsibilities as required by the School and Institutional Trust Lands Administration, the Division of Oil, Gas and Mining or any other State agency having jurisdiction over mining operations in the State of Utah. Article IV of the lease requires the lessee to make proper rehabilitation as required by the Utah Mined Land Reclamation Act and as required by all lawful rules and regulations adopted under the lease. Where the surface estate is not owned by the State of Utah the lessee shall make proper restitution and indemnify the surface owner or have a waiver from the surface owner that relinquishes the lessee from reclamation responsibilities.

Under rule R850-3-200 a lessee who is found to be in violation of, or default on any previous obligation with the School and Institutional Trust Lands Administration may not qualify as an applicant for future State of Utah mineral leases.

The School and Institutional Trust Lands Administration recognizes that Chemical Lime Company of Arizona is fulfilling obligations under the Utah Mined Land Reclamation Act of 1975 and wishes to cooperate fully towards those ends, but by this letter the School and Institutional Trust Lands Administration does protest any approval of mining operations which will remove minerals from the State of Utah Trust Lands without a lease.

Sincerely,



SCOTT HIRSCHI
DIRECTOR

SH/WMS/tdw